

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF PENNSYLVANIA

IN RE: BANKRUPTCY NO: 20-21595
MAJESTIC HILLS, LLC, CHAPTER 11
DEBTOR.

MAJESTIC HILLS, LLC, Related to Doc. No. 10

MOVANT,

v.

HEARING DATE AND TIME:
June 18, 2020 at 10:00 a.m.

MUTUAL BENEFIT INSURANCE
COMPANY,

RESPONSE DEADLINE:
June 8, 2020

RESPONDENT.

**UNITED STATES TRUSTEE'S RESPONSE TO DEBTOR'S MOTION
FOR AN ORDER (I) APPROVING THE ASSUMPTION OF THE
SETTLEMENT AGREEMENT AND RELEASE BETWEEN THE DEBTOR AND
MUTUAL BENEFIT INSURANCE COMPANY, (II) APPROVING THE SALE OF
CERTAIN INSURANCE POLICIES, AND (III) ISSUING AN INJUNCTION PURSUANT
TO THE SALE OF CERTAIN INSURANCE POLICIES**

COMES NOW, Andrew R. Vara, United States Trustee, by and through his undersigned counsel, who respectfully files this Response to the Debtor's Motion for an Order (i) Approving the Assumption of the Settlement Agreement and Release between the Debtor and Mutual Benefit Insurance Company, (ii) Approving the Sale of Certain Insurance Policies, and (iii) Issuing an Injunction Pursuant to the Sale of Certain Insurance Policies ("Motion for Settlement") and represents as follows:

1. Majestic Hills, LLC (“Debtor”) filed a voluntary petition under chapter 11 of the United States Bankruptcy Code on May 21, 2020.
2. On that same day, the Debtor filed the Motion for Settlement between the Debtor and Mutual Benefit Insurance Company that, *inter alia*, requires Mutual Benefit to provide \$1,000,000 to the Debtor’s estate in exchange for a release from liability in connection with lawsuits involving the Debtor.
3. The deadline to respond to the Debtor’s Motion for Settlement is June 8, 2020.
4. Creditors have expressed interest in serving on an Official Committee of Unsecured Creditors and the United States Trustee is currently in the process of attempting to appoint a creditors’ committee. A formation meeting to determine whether a creditors’ committee can be appointed has been scheduled for June 17, 2020.
5. Should the United States Trustee appoint a creditors’ committee, such committee should have an opportunity to review and be heard on the Motion for Settlement.
6. Thus, the hearing on the Motion for Settlement and the deadline to file a response should be extended to give the creditors’ committee, should one be appointed, the opportunity to review and respond should it choose to do so.
7. The United States Trustee communicated with the Debtor’s counsel, Donald R. Calaiaro, Esq., and he consented to a forty-five day extension to the deadline to file a response to the Motion for Settlement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

WHEREFORE, the United States Trustee respectfully requests the entry of an order extending for forty-five days the deadline to file a response to the Motion for Settlement to July 23, 2020, rescheduling the hearing on the Motion for Settlement to August 6, 2020, and granting any and all further relief as may be equitable and just.

Respectfully Submitted,

ANDREW R. VARA
UNITED STATES TRUSTEE
Regions 3 and 9

Dated: June 8, 2020

By: /s/ Larry Wahlquist
Larry Wahlquist, Trial Attorney
DC ID 492864
Liberty Center, Suite 970
1001 Liberty Ave.
Pittsburgh, Pennsylvania 15222
(412) 644-4756 Telephone
(412) 644-4785 Facsimile
Larry.E.Wahlquist@usdoj.gov